

FISCAL NOTE

HB 3139 - SB 3414

February 11, 2008

SUMMARY OF BILL: Requires semester hours attempted under dual enrollment grants be included in the calculation of total semester hours attempted for purposes of determining continuing eligibility for and the length of time of receipt for Tennessee HOPE scholarships, if such semester hours are accepted for credit by the eligible postsecondary institution in which the student enrolls after receiving a Tennessee HOPE scholarship.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Decreases the expenditure of lottery proceeds earmarked for scholarships and grants by \$1,208,000 in FY08-09 and by \$1,858,000 in FY09-10.

Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) indicates that by including semester hours attempted under dual enrollment grants into the calculation of total semester hours attempted for the purposes of determining scholarship retention and time of receipt will cause such students to be eligible only for one-half of the HOPE award (\$2,000) for their final semesters due to having exceeded the 120 semester hour limitation.
- TSAC estimates approximately 604 students will lose 50% of their HOPE awards in the first year (FY08-09).
- The decrease of expenditures from lottery proceeds is estimated to be \$1,208,000 (604 students x \$2,000 reduction = \$1,208,000) in FY08-09.
- TSAC estimates approximately 929 students will lose 50% of their HOPE awards in the second year (FY09-10).
- The decrease of expenditures from lottery proceeds is estimated to be \$1,858,000 (929 students x \$2,000 reduction = \$1,858,000) in FY09-10.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

/rnc